

## MCC at a Glance

### What is MCC?

The Millennium Challenge Corporation (MCC) is an innovative and independent U.S. foreign aid agency that is helping lead the fight against global poverty. Created by the U.S. Congress in 2004 with strong bipartisan support, MCC is changing the conversation on how best to deliver smart U.S. foreign aid by focusing on good policies, country ownership, and results.

*"We will seek development that is sustainable. Building in part on the lessons of the Millennium Challenge Corporation... we will invest in the capacity of countries that are proving their commitment to development."*

—President Barack Obama  
September 22, 2010

MCC forms partnerships with some of the world's poorest countries, but only those committed to

- ★ **good governance,**
- ★ **economic freedom, and**
- ★ **investments in their citizens.**

MCC provides these well-performing countries with large-scale grants to fund country-led solutions for reducing poverty through sustainable economic growth.

MCC grants complement other U.S. and international development programs. There are two primary types of MCC grants: MCC compacts and Threshold Programs.

★ **MCC Compacts** are large, five-year grant programs for countries that pass MCC's eligibility criteria.

★ **Threshold Programs** are smaller-scale grants awarded to countries that come close to passing these criteria and are firmly committed to improving their policy performance.

MCC is led by a Chief Executive Officer and is governed by a nine-member board of directors. The MCC Board is comprised of the MCC CEO, the Secretary of State, the Secretary of the Treasury, the U.S. Trade Representative, and the USAID Administrator, along with four private sector representatives.

**\$8.18 Billion  
in Poverty  
Reduction  
Compacts**

#### Compact Countries

- Armenia\*
- Benin
- Burkina Faso
- Cape Verde
- El Salvador
- Georgia
- Ghana
- Honduras\*
- Jordan
- Lesotho
- Madagascar\*
- Malawi
- Mali
- Moldova
- Mongolia
- Morocco
- Mozambique
- Namibia
- Nicaragua\*
- Philippines
- Senegal
- Tanzania
- Vanuatu

## What is distinctive about MCC?

MCC is a prime example of smart U.S. Government assistance in action, benefitting both developing countries and U.S. taxpayers through:

- ★ **Competitive selection:** MCC's Board examines a country's performance on 17 independent and transparent policy indicators and selects compact-eligible countries based on policy performance.
- ★ **Country-led solutions:** MCC requires selected countries to identify their priorities for achieving sustainable economic growth and poverty reduction. Countries develop their MCC proposals in broad consultation within their society; MCC teams then work in close partnership to help countries refine a program.
- ★ **Country-led implementation:** When a country is awarded an MCC Compact, it sets up its own local accountable entity to manage and oversee all aspects of implementation. Monitoring of funds is rigorous and transparent, and often managed through independent fiscal agents.
- ★ **Focus on results:** MCC is committed to producing results and ensuring that the American people are getting a good return on their investment. MCC employs technically rigorous, systematic and transparent methods of projecting, tracking and evaluating the impacts of its programs.

## What is MCC achieving?

MCC has approved over **\$8.2 billion** in MCC Compact and Threshold Programs worldwide that support country-determined projects in such sectors as:

- ★ agriculture and irrigation,
- ★ transportation (roads, bridges, ports),
- ★ water supply and sanitation,
- ★ access to healthcare services,
- ★ finance and enterprise development,
- ★ anticorruption initiatives,
- ★ land rights and access,
- ★ access to education.

Results to date include:

- ★ Nearly 150,000 farmers have been trained, 3,878 enterprises assisted, and \$66 million in agriculture and rural loans disbursed.<sup>†</sup>
- ★ More than 895 kilometers of roads are complete in seven countries, and over 2,400 kilometers of roads are under construction in 11 countries.<sup>†</sup> Rehabilitated roads will reduce travel time and increase access to markets.
- ★ Close to 60,000 students are participating in MCC-funded educational activities. 833 instructors have been trained in three countries, and over 200 educational facilities constructed in five countries.<sup>†</sup>

Aggressive implementation of MCC Compacts and Threshold Programs is promoting growth opportunities, raising standards of living, and creating a more prosperous future for some of the world's poorest people. For more information, visit [www.mcc.gov](http://www.mcc.gov).

**\$495  
Million  
in Poverty  
Reduction  
Threshold  
Programs**

### Threshold Programs

- Albania
- Burkina Faso
- Guyana
- Indonesia
- Jordan
- Kenya
- Kyrgyz Republic
- Liberia
- Malawi
- Moldova
- Niger\*
- Paraguay
- Peru
- Philippines
- Rwanda
- Timor-Leste
- São Tomé and Príncipe
- Tanzania
- Uganda
- Ukraine
- Zambia

\* MCC's Board of Directors put on hold, suspended or terminated a portion of assistance due to government actions inconsistent with MCC's eligibility criteria.

† As of September 2010.